

FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Mary Lou Melley, Treasurer
Fairfax County Democratic Committee Federal
7245 Arlington Boulevard
Falls Church, VA 22042

DC 18 TX

Identification Number:

C00277541

Reference:

30 Day Post-General Report (10/19/00-11/27/00)

Dear Ms. Melley:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

The Detailed Summary Page, on Line 18 Column A of your report, discloses \$9,000.00 in transfers from the non-federal account for joint activity for the reporting period. However, Line 21 (a)(ii) Column A discloses \$2,533.04 as the non-federal share for joint activity for the reporting period. While the non-federal account is permitted to transfer funds to the federal account for shared activity, transfers for shared activity must be made within a 70-day time period: no more than 10 days before or 60 days after the payment to the vendor. 11 CFR §\$106.5(g)(2) and 106.6(c)(2) Please clarify the nature of the transfers-in from the non-federal account.

The Commission recommends that you immediately transfer back to the non-federal account, the total excessive amount which was received by your federal account outside the 70-day time period. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-Your report discloses limited payments for administrative expenses. Administrative expenses are payments made for the purpose of operating a political committee including, but not limited to, rent, utilities, salaries,

telephone service, office equipment and supplies. Each committee utilizing separate federal and non-federal accounts is required to allocate any administrative expenses between the accounts in proportion to the BALLOT COMPOSITION METHOD derived from FEC Schedule H1. A Schedule H1 must be filed with the first FEC FORM 3X filed at the beginning of each two-year election cycle. 11 CFR §106.5(d)

Any goods or services provided to your committee by a person, except volunteer activity (i.e., a person's time), would be considered an in-kind contribution from that person, and would be subject to the disclosure requirements of 2 U.S.C. §434(b)(3) and 11 CFR §104.13, and the limitations and prohibitions of 2 U.S.C. §§441a and 441b.

Clarification regarding administrative expenses should be disclosed <u>during</u> <u>each two year election cycle</u> beginning with the first report filed in the non-election year. Please provide the necessary information regarding administrative expenses incurred by your committee and/or amend your report to disclose such expenses according to the referenced provisions of the Act and Commission Regulations.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,

Nicholas T. Ebinger

Reports Analyst

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Reports Analysis Division